AMENDED IN SENATE APRIL 30, 2013 AMENDED IN SENATE APRIL 16, 2013 AMENDED IN SENATE APRIL 1, 2013

SENATE BILL

No. 461

Introduced by Senator Leno

February 21, 2013

An act to add Section 6217.9 to the Public Resources Code, relating to coastal resources.

LEGISLATIVE COUNSEL'S DIGEST

SB 461, as amended, Leno. State tide and submerged lands: mineral extraction leases: revenues.

Existing law authorizes the State Lands Commission to lease tide and submerged lands and beds of navigable rivers and lakes for the extraction of oil and gas, as specified. Existing law, with specified exceptions, generally requires the State Lands Commission, on and after July 1, 2006, to deposit all revenue, money, and remittances, derived from mineral extraction leases on state tide and submerged lands into the General Fund, to be available upon appropriation by the Legislature for specified purposes.

This bill would create the Coastal Adaptation Fund in the State Treasury, and would authorize the expenditure of moneys in the fund, in an amount not to exceed \$15,000,000 annually, by the Ocean Protection Council, the Department of Fish and Wildlife, the California Coastal Commission, the State Coastal Conservancy, *the State Lands Commission*, and the San Francisco Bay Conservation and Development Commission, upon appropriation by the Legislature in the *annual* Budget Act, for purposes relating to the preparation, planning, and

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implementation of measures, activities that prepare, plan, and implement measures based upon the best available scientific information, that are designed to address and adapt to sea level rise and coastal climate ehange, and related impacts. This change.

The bill would require the Legislature to appropriate unspecified amounts for these purposes to each of these state agencies in the annual Budget Act and would require that funding made available pursuant to these provisions be in accordance with the 2009 California Climate Adaptation Strategy, as specified. The bill would require the Natural Resources Agency to ensure that moneys expended from the fund are in compliance with the strategy and would authorize the agency to require each of the above-listed entities to provide information necessary to implement these provisions. The bill would require the agency to make certain information regarding activities funded by the Coastal Adaptation Fund available on a publicly accessible Internet Web site. The bill would also make various findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the 2 following:

- (a) The coast of California is a vital and invaluable natural resource of statewide importance belonging to all the people, and its preservation and accessibility by current and future generations is of paramount concern to the residents of this state and nation.
- (b) Burning nonrenewable fossil fuels that are extracted from California's public lands and state tidelands contributes to global climate change and sea level rise, which threatens the state's coastal natural resources, human, plant, and animal communities, public infrastructure, coastal tourism and recreational opportunities, and the state's fifty-billion-dollar (\$50,000,000,000) coastal economy.
- (c) Royalty revenue generated from leases authorizing the extraction of nonrenewable resources on the state's trust lands should be prioritized for planning, minimizing, and mitigating the environmental impacts of those activities, including, but not limited to, sea level rise.
- 18 (d) California's coastal management agencies, the California 19 Coastal Commission, the San Francisco Bay Conservation and

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Development Commission, and the State Coastal Conservancy, have broad authority for protecting coastal resources, enhancing public access to and along the shoreline, and working in partnership with local governments in long-range land use planning, permitting, and projects.

- (e) The State Lands Commission, Ocean Protection Council, and the Department of Fish and Wildlife have constitutional and statutory obligations to protect natural resources on other coastal public lands while ensuring public access.
- (f) Recent "King Tide" events, during which residents photographed the local consequences of extreme high tide events around the state, illustrate that California's coastal communities are not prepared for the coming "new normal" of rising sea levels, and that enhanced coastal planning and management of coastal resources and development continue to be of preeminent concern to the state.
- (g) The current rate of global sea level rise calls for an urgent, coordinated, statewide initiative to actively plan for adaptation and mitigation strategies to address the inevitable economic and environmental impacts of sea level rise in this state.
- (h) California has an existing "planning infrastructure" already in place to address sea level rise, coastal management, and associated planning and land use issues in the form of local coastal programs and the San Francisco Bay Plan.
- (i) Maintaining a strong state coastal management program, including comprehensive updates of existing planning documents, is the most efficient, cost-effective, and practical method for ensuring that statewide coastal management and climate change policies are locally implemented and that unplanned and costly ad hoc responses that risk more significant environmental and social harm are avoided.
- (j) Revenues generated from state tideland, oil, and gas leases were historically allocated for environmental projects and programs with a nexus to the extraction activities.
- (k) In order for the state to maintain its strong coastal management program and to plan and prepare comprehensively for sea level rise in the face of a rapidly changing climate, it is appropriate to allocate revenues from nonrenewable resource royalties to purposes related to coastal resource protection and

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1 management, including forward-thinking sea level rise and climate2 change planning.

- 3 SEC. 2. Section 6217.9 is added to the Public Resources Code, to read:
- 5 6217.9. (a) (1) The Coastal Adaptation Fund is hereby created 6 in the State Treasury. Moneys in the fund may be expended, in an 7 amount not to exceed fifteen million dollars (\$15,000,000), by the 8 Ocean Protection Council, the Department of Fish and Wildlife, the California Coastal Commission, the State Coastal Conservancy, and the San Francisco Bay 10 the State Lands Commission, Conservation and Development-Commission, upon Commission. 11 12 The moneys are subject to appropriation by the Legislature in the annual Budget Act, for purposes relating to the preparation, 13 14 planning, and implementation of measures, to fund activities that 15 prepare, plan, and implement measures, based upon the best available scientific information, that are designed to address and 16 17 adapt to sea level rise and coastal climate-change, and related 18 impacts change.
 - (2) Moneys appropriated to the State Coastal Conservancy shall be subject to Section 31113, and the State Coastal Conservancy shall collaborate with all appropriate public conservancies and commissions in the geographic areas of those entities in implementing this section.
 - (b) The Legislature shall appropriate at least _____ dollars (\$ _____) in the annual Budget Act to each of the state agencies described in subdivision (a), for the purposes stated therein.
 - (c) Moneys made available pursuant to this section shall be used to fund activities that are in accordance with the 2009 California Climate Adaption Strategy, or the most recent update to the strategy, as prepared by the Natural Resources Agency.
 - (d) The Natural Resources Agency shall ensure that moneys expended from the Coastal Adaptation Fund are in compliance with the 2009 California Climate Adaptation Strategy, or its most recent update, and, in ensuring compliance with the strategy, the agency may require the entities described in subdivision (a) to provide information necessary to implement this section.
 - (e) In accordance with subdivision (d), the Natural Resources Agency shall also, on a publicly accessible Internet Web site, annually make available information regarding any activity funded

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1 pursuant to this section. The information shall include, at a 2 minimum, all of the following:

- (1) The name of the agency, or agencies, to which funding was allocated.
- 5 (2) A summary of the activity funded by the Coastal Adaptation 6 Fund, including the activity's purpose and its relationship to the 7 2009 California Climate Adaptation Strategy, or its update.
 - (3) The amount allocated for the activity.

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9 (4) An anticipated timeline and total cost for completion of the activity.